

## CSS Income Sources – 2010

<b>INVESTMENT ADMINISTRATION FEES</b>			
<u>Fees</u>	<u>Partners, Foundations &amp; CRC Churches</u>	<u>Associate- Partner Schools</u>	<u>Non-Partners / Clients</u>
Distribution Fees: (Gifts to charities)	0%	2% (capped at \$1000)	3% (capped for very large gifts)
Completion Fees (Refundable)	\$100 for allocations greater than \$50,000. \$50 for allocations of \$5,000 - \$50,000	None	N/A
Portfolio Management Fee	Fixed percentage of 0.2% annually	Fixed percentage of 0.2% annually	Fixed percentage of 0.2% annually
Annuity Reserve Fees	N/A	N/A	1% of annuity balance (includes 0.15% for administration)
<b>SERVICE FEES</b>			
<u>Fees</u>	<u>Partners</u>	<u>Foundations, CRC Churches and Schools</u>	<u>Non-Partners / Clients</u>
Partner and Associate- Partner Fees	Annual fee based on 0.67% of Canadian charitable income (minimum \$1,050 fee applies)	Annual fee of \$1.25 per student (\$1.00 per student for Foundation Partner schools)	N/A
Cost Recovery Charges	None	\$75 per hour, \$250 half day, \$500 full day	\$75 per hour, \$250 half day, \$500 full day
Mortgage Setup and Renewal Fee	None	None	0.25% Min: \$200 Max: \$1,000
<b>DONATIONS</b>			
<u>Type</u>	<u>Partners</u>	<u>CRC Churches &amp; Schools</u>	<u>Non-Partners / Clients</u>
Administration Donations (Interest- earning accounts)	0.75% annually	0.75% annually	1% annually

## Explanation of Fees

**Completion Fees:** These are part of the continuing support received from Partners for the CSS Planned Giving work. When a CSS visit results in a pledge or commitment (such as a bequest) to a CSS Partner, a fee is charged to the Partner. This has been referred to as a “good news invoice” in that, upon receipt of such an invoice, the Partner is made aware that a donor has allocated a gift to that Partner even though the donor’s name may be kept private.

If, in the future, such an allocation is revised or removed, CSS will refund the initial Completion Fee. School Foundations are full Partners and, as such, are required to pay Completion Fees on funds allocated (for their own use or for their schools) as part of their Partner support. The CRCNA pays completion fees on behalf of its member churches.

**Distribution Fees:** These “below-market rate” fees are charged by CSS to Non-partner charities only upon the actual distribution to CRA-approved charities of gifts received by CSS.

Whenever the donor funds are deposited directly into accounts within CSS, these Distribution Fees are not applicable. For Associate Partners (schools, including Foundation member schools), there is 2% fee up to a maximum of \$1,000 when cheques are issued by request of the Donor or the School.

For Non-partners, there is a 3% fee charged on gifts up to a maximum of \$100,000, and a further 0.5% on amounts over \$100,000.

When a Depositor receives/withdraws funds from an RDA they hold with CSS or when a Charity receives/withdraws funds from an RDA/Endowment they hold with CSS, such funds will be issued to them as the "Agreement-Holders" and no fees will apply. However, funds withdrawn prior to the 2-year term will be adjusted for Short-Term Interest Rates (based on the ING Business Investment Savings Account Rate).

**Portfolio Management Fees:** These fees are charged on the investments held within the CSS Portfolio.

**Annuity Reserve Fees:** CSS draws an amount equal to 1% of the annuity capital on a yearly basis to create a reserve fund which is drawn upon to continue payments on any gift annuity that has been depleted. This reserve is limited to 5% of the total capital in all the annuities. 0.15% of this fee is used for administration costs related specifically to the operation of the annuity program, including an independent actuarial review every three years.

**Cost Recovery Charges:** These fees are charged for services provided by CSS representatives or contractors that are beyond the scope of the normal services provided to Churches, Schools and individual clients and, in certain cases, to Partners. Examples of such billable services include financial awareness seminars for youth groups, extensive business-succession consultation for individual clients, etc. Advance notice of such additional charges will be provided.

**Mortgage Setup Fee:** CSS provides mortgages to approved borrowers at competitive rates utilizing the Restricted Fund of CSS. A set up and renewal fee of 0.25% is charged for the fixed-rate five-year term mortgages with a minimum fee of \$200 and a maximum fee of \$1000.

**Administration Donations:** These amounts are contributed semi-annually to support the work of CSS for the management of interest-bearing accounts such as Revocable Deposit Agreements, Endowment Funds, and Designated Gift Funds.